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MEDIA ADVISORY

PSC TO HOLD HEARING ON LG&E/KU RATE INCREASE REQUEST

FRANKFORT, Ky. (April 27, 2004) – The Kentucky Public Service Commission (PSC) will begin a public hearing on Tuesday, May 4, to consider rate increases requested by Louisville Gas & Electric Co. (LG&E) and Kentucky Utilities Co. (KU).

LG&E and KU are both subsidiaries of LG&E Energy LLC. LG&E has about 384,000 electric customers and nearly 312,000 natural gas customers in 16 counties in the Louisville area. KU serves about 477,000 customers in 77 Kentucky counties.

The rate increase is the first requested by KU in 20 years; LG&E has not increased electric rates since 1990 and gas rates since 2000.

LG&E is requesting rate increases that will add about \$7 per month to the average residential electric bill and \$6 per month to the average residential natural gas bill. The average KU residential customer would see a \$5 increase in the monthly bill under the KU request.

The hearing, which is expected to last at least four days, will begin at 9 a.m. in Hearing Room #1 at the PSC, 211 Sower Boulevard, Frankfort, 40602. There will be opportunity for public comment at the beginning of the first day of the hearing. Public comment also may be submitted to the PSC by mail, fax (502 564-9625) or by e-mail via the PSC Web site, which is psc.ky.gov.

The case numbers are 2003-00433 (LG&E) and 2003-00434 (KU). Documents filed in the case may be accessed at the PSC Web site.